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Laventhol & Horwath
Certified Public Accountants

B5050-4-P

NATIONAL TREND OF BUSINESS
Lodging Industry

A SERVICE TO THE CLIENTS OF LAVENTHOL & HORWATH

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AUGUST 1986 COMPARED WITH AUGUST 1985

	Projections	Actual Last Year
October 1986	66-68%	67.3%
November1986	58-60%	59.0%
December1986	48-50%	48.1%

OCCUPANCIES CONTINUE TO RISE

The occupancy rate for August was 72.8 percent, measured on a seasonally unadjusted basis. This monthly rate represents a 2.0 percent increase from August of last year, and is the second consecutive monthly increase. On a regional level, both the Northeast and Southeast sections of the country posted healthly increases in occupancies, 9.1 and 7.6 percent, respectively. On the other hand, the South Central region indicated an 8.7 percent decrease from last August, reflecting the sluggish economy in that region. The year-to-date national occupancy rate stands at 66.3 percent, 0.5 percent below the first eight months of 1985.

The average daily rate paid for a room during August was $60.11, a 3.7 percent increase from a year ago. The Northeast region, with a rate of $84.78, continues to have the highest regional average rates. The national room rate year-to-date of $61.55, is 3.6 percent above the comparable 1985 level.

Total sales for the lodging properties increased 7.4 percent in August, the second largest monthly increase this year.

Year-to-date total sales are 3.9 percent higher than during 1985. The number of covers served by food and beverage operations rose 1.9 percent, reversing the early trend this year of declining covers. Total food and beverage sales per occupied increased slightly, as did average receipt per cover.

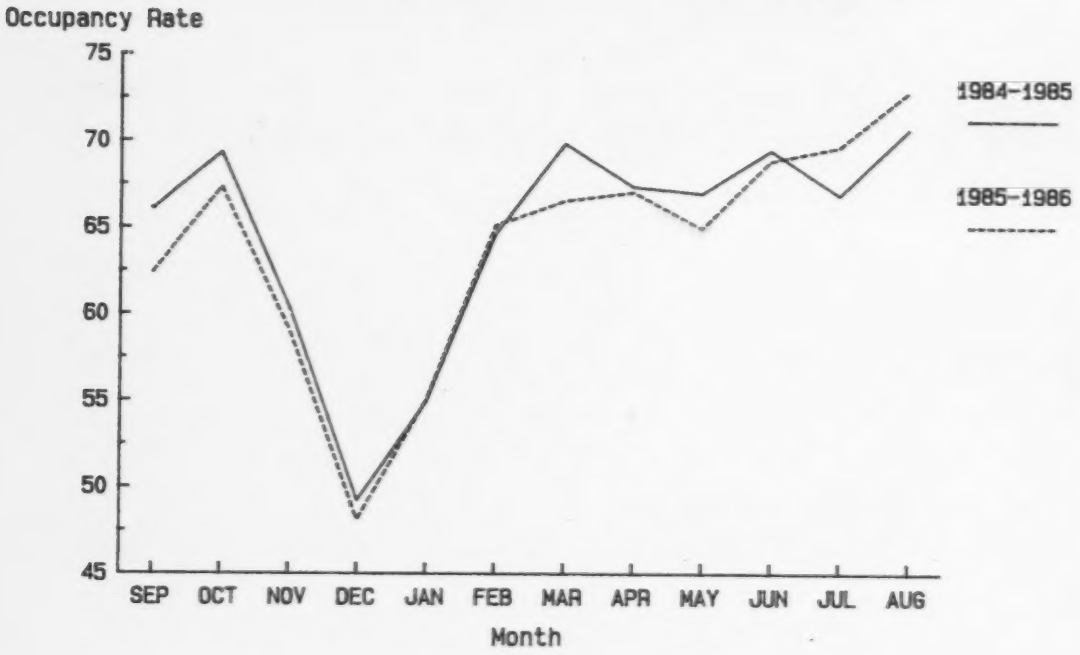
SEASONALLY ADJUSTED OCCUPANCY RATES FOR THE MAJOR CLASSIFICATIONS

	This Month	Percentage Changes*
TOTAL U.S.A.	66.5%	0.3%
AFFILIATION:		
Chain	67.3	1.1
Independent	67.0	4.2
AREA:		
Northeast	77.8	0.8
Southeast	68.4	-3.3
North Central	64.7	-4.7
South Central	52.6	-6.2
West	71.3	-0.3
LOCATION:		
Center City	68.3	2.9
Suburban	63.3	-2.2
Highway	65.7	0.3
Airport	69.6	5.9
Resort	70.5	2.9
SIZE:		
Under 150 to 299 rooms	64.7	-1.1
150 to 299 rooms	65.6	3.0
300 to 600 rooms	66.7	1.7
Over 600 rooms	73.6	-0.7
TYPE:		
Hotel	70.4	5.1
Motor Hotel	64.4	-1.2
Economy	65.7	2.8

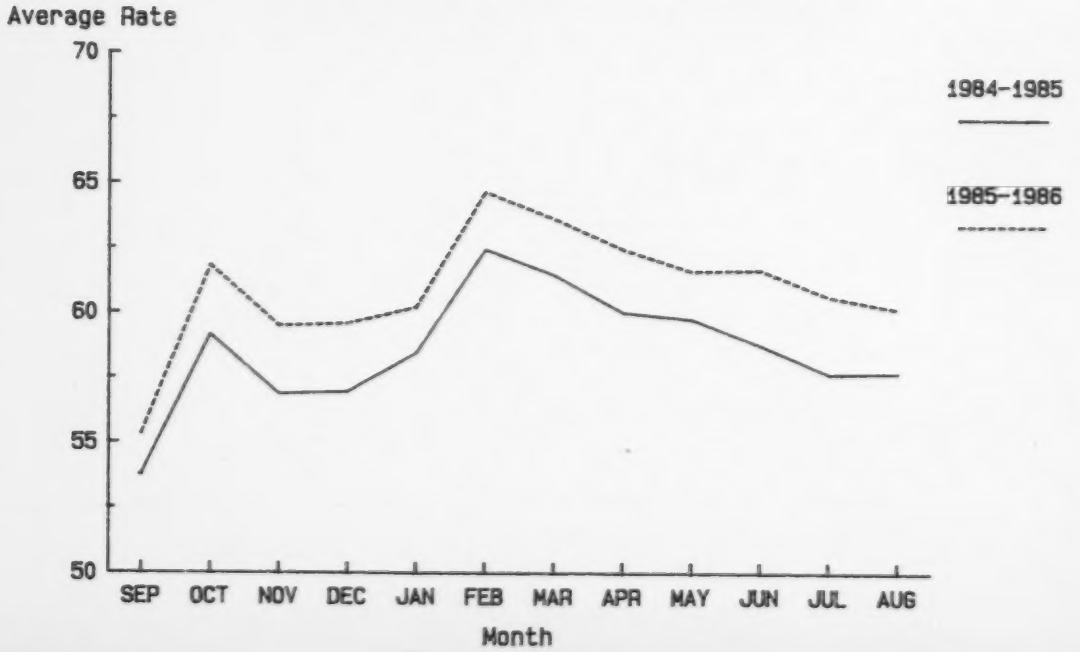
* FROM PREVIOUS MONTH

Mark Lomanno, Associate Director
Bill Evans, Senior Analyst
Research and Development

NATIONAL OCCUPANCY RATE
SEPTEMBER 1984 - AUGUST 1985
SEPTEMBER 1985 - AUGUST 1986



NATIONAL AVERAGE ROOM RATE
SEPTEMBER 1984 - AUGUST 1985
SEPTEMBER 1985 - AUGUST 1986



TREND REPORT AUGUST 1986 COMPARED WITH AUGUST 1985

	SALES PERCENT CHANGE				OCCUPANCY PERCENT		DOUBLE OCCUPANCY PERCENT		ROOM SALES PER OCCUPIED ROOM		TOTAL SALES PER OCCUPIED ROOM	
	TOTAL	ROOMS	F&B	OTHER	AUG	% CHG	AUG	% CHG	AUG	% CHG	AUG	% CHG
TOTAL	7.4	7.9	4.3	8.3	72.8	2.0	71.9	3.6	$ 60.11	3.7	$ 84.46	3.2
REGION:												
Northeast	13.6	15.0	9.9	8.8	82.4	9.1	56.2	5.4	$ 84.78	5.1	$113.90	3.8
Southeast	9.5	10.7	5.3	12.5	71.0	7.6	114.8	4.9	54.63	2.1	77.83	0.9
North Central	6.3	8.3	0.3	4.6	75.4	1.2	55.4	3.2	49.96	5.4	69.20	3.3
South Central	-8.8	-9.7	-7.2	-6.9	56.5	-8.7	50.9	-4.1	50.12	-0.8	71.13	0.2
West	11.2	10.6	8.4	15.7	81.3	0.9	69.1	-0.3	62.39	2.8	90.08	3.4
AFFILIATION:												
Chain	7.7	8.2	4.2	8.9	72.9	1.8	67.8	3.0	$ 59.15	3.7	$ 82.22	3.2
Independent	6.2	6.8	4.8	5.6	72.4	3.0	88.8	5.7	64.43	3.8	94.51	3.3
LOCATION:												
Center City	8.8	9.5	5.9	8.3	70.7	3.2	59.9	4.2	$ 72.23	4.5	$100.75	3.9
Suburban	-2.0	0.2	-8.8	-2.1	71.6	-3.1	59.0	8.5	53.96	1.4	73.56	-0.8
Airport	7.6	7.8	0.9	5.3	74.0	2.2	41.2	5.9	55.33	2.9	79.91	2.7
Highway	2.5	3.2	-2.3	14.2	73.4	-1.1	78.6	1.4	43.30	3.1	55.52	2.4
Resort	16.6	16.5	16.7	16.1	76.9	10.2	137.7	-3.2	68.55	1.7	105.04	1.8
SIZE:												
UNDER 150 ROOMS	3.7	3.8	-0.2	23.3	75.5	-1.8	78.4	4.1	$ 44.73	3.7	$ 53.85	3.6
150 - 299 ROOMS	3.8	5.0	-0.3	0.6	71.4	0.1	66.4	5.1	52.92	3.1	73.61	1.9
300 - 600 ROOMS	7.5	8.0	5.2	10.5	70.8	3.2	73.5	4.7	67.01	3.2	99.09	2.7
OVER 600 ROOMS	12.8	13.4	9.3	9.5	74.9	7.8	72.8	0.7	77.79	2.0	113.50	1.4
TYPE:												
Hotel	9.1	9.6	6.0	9.3	72.6	4.5	65.6	1.4	$ 69.50	2.9	$103.40	2.4
Motor Hotel	1.0	1.7	-2.3	2.2	72.1	-1.8	79.1	4.6	48.91	3.0	63.04	2.2
Economy	13.2	11.7	*	249.9	79.7	-	79.5	8.6	32.88	5.3	33.64	6.8
All Suites	15.0	18.6	4.8	-6.6	70.4	5.1	103.6	17.2	67.98	6.4	85.26	3.1

* INSUFFICIENT RESPONSE

YEAR TO DATE TREND REPORT - AS OF AUGUST 1986

	SALES PERCENT CHANGE				OCCUPANCY PERCENT		DOUBLE OCCUPANCY PERCENT		ROOM SALES PER OCCUPIED ROOM		TOTAL SALES PER OCCUPIED ROOM	
	TOTAL	ROOMS	F&B	OTHER	AUG	% CHG	AUG	% CHG	AUG	% CHG	AUG	% CHG
TOTAL	3.9	4.5	1.3	3.5	66.3	-0.5	56.3	2.4	$ 61.55	3.6	$ 91.54	2.9
REGION:												
Northeast	7.6	8.7	4.8	7.1	71.9	3.0	43.5	-1.6	$ 86.81	6.1	$125.33	5.1
Southeast	5.7	6.8	2.6	6.6	72.3	2.7	89.5	3.0	63.27	3.1	95.38	2.0
North Central	2.3	3.5	-0.6	2.6	63.0	-1.1	42.6	4.7	49.00	4.5	73.76	3.3
South Central	-5.1	-5.2	-4.8	-5.4	56.0	-5.2	41.9	1.7	51.83	-0.2	76.11	-0.1
West	6.3	6.5	2.7	2.4	69.6	-1.3	52.4	-0.2	60.44	2.7	91.07	2.5
AFFILIATION:												
Chain	3.7	4.3	1.0	3.7	66.4	-0.6	53.1	1.5	* 60.40	3.2	$ 88.47	2.6
Independent	4.4	5.5	2.5	2.9	65.4	-0.5	69.2	5.3	66.86	5.1	105.65	4.1
LOCATION:												
Center City	5.3	5.9	3.3	4.5	64.0	0.9	46.3	1.5	$ 74.41	4.6	$111.16	4.0
Suburban	-1.9	-0.2	-5.8	-3.1	63.7	-3.6	46.6	4.7	53.43	1.9	78.15	0.3
Airport	4.1	4.3	-1.3	3.0	68.9	-0.4	34.2	-	55.81	2.4	81.81	2.1
Highway	0.9	1.8	-2.9	2.1	66.3	-2.2	64.8	3.7	42.62	2.3	57.14	1.3
Resort	7.6	8.2	6.4	7.3	72.4	2.7	103.9	1.1	75.39	2.9	122.19	2.3
SIZE:												
UNDER 150 ROOMS	1.6	2.2	-1.5	1.9	65.6	-2.2	65.2	4.3	$ 42.40	3.0	$ 53.59	2.5
150 - 299 ROOMS	1.0	1.8	-2.3	1.1	64.6	-2.0	51.8	2.8	54.32	2.9	79.71	2.0
300 - 600 ROOMS	3.7	4.5	1.9	3.8	65.7	0.2	54.1	3.6	68.08	2.9	106.63	2.1
OVER 600 ROOMS	8.1	8.9	5.0	5.6	70.6	3.1	59.4	-0.7	84.18	3.4	129.58	2.7
TYPE:												
Hotel	5.0	5.8	2.4	4.0	66.4	0.6	51.9	0.4	$ 72.18	3.7	$113.47	3.0
Motor Hotel	-0.5	0.3	-3.4	0.4	65.8	-2.5	62.8	4.8	48.09	2.2	65.12	1.4
Economy	5.4	5.4	4.4	11.5	64.7	-1.8	67.7	6.4	31.21	3.3	32.43	3.3
All Suites	8.3	9.7	4.1	5.8	70.7	3.7	68.9	8.3	73.60	2.3	99.40	1.1

* INSUFFICIENT RESPONSE
\- NO CHANGE

TWELVE MONTH TREND REPORT - AS OF AUGUST 1986

	SALES PERCENT CHANGE				OCCUPANCY PERCENT		DOUBLE OCCUPANCY PERCENT		ROOM SALES PER OCCUPIED ROOM		TOTAL SALES PER OCCUPIED ROOM	
	TOTAL	ROOMS	F&B	OTHER	AUG	% CHG	AUG	% CHG	AUG	% CHG	AUG	% CHG
TOTAL	2.9	3.5	0.6	3.4	63.9	-1.4	53.0	1.9	$ 60.98	3.7	$ 92.16	3.1
REGION:												
Northeast	5.3	6.5	2.0	6.5	72.1	0.6	42.7	-1.6	$ 87.17	6.2	$127.95	5.0
Southeast	4.6	5.8	1.9	5.1	67.3	1.5	84.5	2.9	61.89	3.2	95.13	2.1
North Central	3.3	4.6	0.3	4.1	61.7	-1.1	40.7	3.6	48.71	5.1	75.00	3.8
South Central	-5.0	-5.3	-4.6	-3.0	54.5	-5.7	40.0	-0.7	52.10	-	77.59	0.3
West	4.8	5.0	2.4	1.9	67.3	-1.8	50.1	0.6	59.44	3.1	90.79	3.0
AFFILIATION:												
Chain	2.8	3.4	0.4	3.5	64.2	-1.5	50.2	1.4	$ 60.05	3.5	$ 89.32	2.9
Independent	3.2	4.0	1.5	3.0	62.6	-1.1	64.7	3.7	65.45	4.7	105.69	3.9
LOCATION:												
Center City	3.9	4.5	1.9	4.3	63.0	-0.3	44.7	0.4	$ 74.57	4.7	$112.92	4.1
Suburban	-1.4	-	-4.6	-1.3	61.7	-3.9	43.2	3.6	52.97	2.6	79.29	1.2
Airport	3.4	3.7	-0.5	4.1	66.9	-1.2	32.4	-0.3	55.23	2.6	82.23	2.3
Highway	0.8	1.6	-1.8	-0.2	63.2	-2.8	61.4	4.2	41.98	2.5	57.19	1.7
Resort	5.7	6.2	4.4	6.5	67.6	1.0	100.0	1.0	73.58	3.1	122.25	2.5
SIZE:												
UNDER 150 ROOMS	0.9	1.5	-2.1	1.3	63.2	-2.6	61.7	3.4	$ 41.45	2.9	$ 53.20	2.3
150 - 299 ROOMS	0.5	1.1	-2.0	1.1	62.1	-2.8	49.2	2.7	53.46	3.0	80.05	2.4
300 - 600 ROOMS	3.0	3.7	1.5	3.4	63.3	-0.9	49.9	3.1	67.21	3.2	106.93	2.5
OVER 600 ROOMS	6.0	6.8	2.9	5.8	68.6	1.3	56.3	-0.9	84.20	3.8	130.96	3.0
TYPE:												
Hotel	3.8	4.6	1.4	4.0	64.6	-0.6	49.2	0.6	$ 71.68	3.9	$114.49	3.2
Motor Hotel	-0.6	0.1	-2.9	0.4	62.6	-3.1	58.2	3.7	47.47	2.4	65.25	1.7
Economy	3.7	3.6	3.9	7.9	62.4	-2.5	64.8	4.3	30.71	3.4	31.71	3.4
All Suites	6.3	7.2	3.5	5.2	67.8	1.5	68.3	8.2	72.36	2.4	98.43	1.6

* INSUFFICIENT RESPONSE

FOOD AND BEVERAGE REPORT - AUGUST 1986 COMPARED WITH AUGUST 1985

	F&B SALES PER OCCUPIED ROOM		AVERAGE RECEIPT PER COVER		FOOD COST PERCENT OF FOOD SALES		BEV COST PERCENT OF BEV SALES		F&B PAYROLL PERCENT OF F&B SALES		F&B PAYROLL PER COVER		NUMBER COVERS SERVED
	1986	1985	1986	1985	1986	1985	1986	1985	1986	1985	1986	1985	% CHG
TOTAL	$28.27	$28.03	$ 8.96	$ 8.77	0.34	0.33	0.22	0.22	48.6	48.7	$ 5.88	$ 5.75	1.9
REGION:													
Northeast	$26.76	$26.77	$10.32	$10.09	0.32	0.32	0.20	0.21	52.6	54.3	$ 7.35	$ 7.38	8.5
Southeast	25.74	26.40	8.42	8.50	0.35	0.33	0.22	0.24	46.2	45.2	5.55	5.25	5.6
North Central	25.76	26.45	7.91	7.95	0.34	0.33	0.23	0.22	46.2	43.8	4.95	4.71	-0.4
South Central	25.25	24.70	8.22	7.92	0.35	0.35	0.23	0.22	51.1	50.8	5.95	5.71	-8.4
West	34.89	33.61	9.41	9.07	0.35	0.34	0.21	0.22	47.0	48.3	5.64	5.75	1.8
AFFILIATION:													
Chain	$25.35	$25.30	$ 8.49	$ 8.37	0.34	0.33	0.21	0.22	49.3	49.2	$ 5.76	$ 5.61	2.0
Independent	45.38	43.55	10.79	10.33	0.34	0.35	0.23	0.24	45.6	46.7	6.44	6.44	1.5
LOCATION:													
Center City	$27.58	$27.19	$ 9.61	$ 9.22	0.33	0.33	0.21	0.21	53.1	54.6	$ 6.89	$ 6.84	2.6
Suburban	23.69	24.58	7.57	7.53	0.36	0.35	0.23	0.22	49.2	47.6	5.01	4.83	-8.3
Airport	24.95	25.60	8.33	8.20	0.34	0.33	0.24	0.23	45.0	45.0	4.99	5.06	1.7
Highway	22.13	22.83	7.19	7.48	0.37	0.35	0.23	0.24	44.5	40.2	4.56	4.19	-1.1
Resort	42.44	41.53	10.41	10.43	0.35	0.33	0.21	0.22	43.8	44.1	5.98	5.89	12.3
SIZE:													
UNDER 150 ROOMS	$27.83	$27.23	$ 7.25	$ 7.06	0.37	0.37	0.24	0.25	43.0	43.9	$ 4.28	$ 4.36	-2.5
150 - 299 ROOMS	24.89	24.75	7.77	7.57	0.35	0.35	0.23	0.23	46.1	45.7	5.02	4.60	-0.9
300 - 600 ROOMS	29.72	29.53	9.48	9.30	0.33	0.33	0.22	0.23	49.7	49.7	6.25	6.28	4.3
OVER 600 ROOMS	30.73	30.78	10.32	10.25	0.34	0.32	0.19	0.20	50.9	51.6	6.99	6.82	4.2
TYPE:													
Hotel	$31.74	$31.46	$ 9.58	$ 9.27	0.34	0.33	0.21	0.22	49.5	50.2	$ 6.33	$ 6.18	1.8
Motor Hotel	19.53	19.75	6.84	6.93	0.36	0.36	0.23	0.23	45.4	43.2	4.34	4.21	-0.5
Economy	*	*	*	*	*	*	*	*	*	*	*	*	*
All Suites	29.17	31.17	9.41	10.89	0.34	0.37	0.24	0.28	44.8	47.4	6.92	8.07	29.6

* INSUFFICIENT RESPONSE

YEAR TO DATE FOOD AND BEVERAGE REPORT - AS OF AUGUST 1986

	F&B SALES PER OCCUPIED ROOM		AVERAGE RECEIPT PER COVER		FOOD COST PERCENT OF FOOD SALES		BEV COST PERCENT OF BEV SALES		F&B PAYROLL PERCENT OF F&B SALES		F&B PAYROLL PER COVER		NUMBER COVERS SERVED
	1986	1985	1986	1985	1986	1985	1986	1985	1986	1985	1986	1985	% CHG
TOTAL	$34.09	$33.69	$ 9.63	$ 9.27	0.33	0.33	0.22	0.22	47.1	46.8	$ 6.26	$ 6.07	-1.2
REGION:													
Northeast	$36.09	$35.46	$11.36	$10.92	0.31	0.31	0.20	0.20	52.1	52.5	$ 8.25	$ 8.13	3.1
Southeast	33.78	33.91	9.61	9.17	0.33	0.33	0.23	0.22	42.7	42.3	5.89	5.63	-0.4
North Central	31.44	31.20	8.30	8.18	0.34	0.34	0.23	0.22	44.9	44.0	5.04	4.88	-1.3
South Central	28.22	28.07	8.45	8.42	0.34	0.34	0.22	0.22	47.2	46.9	5.67	5.69	-3.9
West	39.54	38.81	10.10	9.57	0.33	0.33	0.23	0.22	49.0	48.9	6.45	6.22	-2.7
AFFILIATION:													
Chain	$30.86	$30.67	$ 9.25	$ 8.96	0.33	0.33	0.22	0.21	47.3	46.9	$ 6.09	$ 5.94	-0.9
Independent	51.47	49.79	11.05	10.41	0.33	0.34	0.24	0.24	46.5	46.5	6.99	6.67	-2.4
LOCATION:													
Center City	$35.74	$35.05	$10.86	$10.53	0.31	0.31	0.21	0.21	51.5	51.5	$ 7.75	$ 7.64	1.7
Suburban	28.41	28.70	8.00	7.92	0.35	0.35	0.23	0.23	46.3	45.3	5.14	5.01	-5.5
Airport	27.45	27.86	8.43	8.18	0.33	0.33	0.22	0.22	45.5	44.7	5.13	4.95	-2.3
Highway	25.93	26.42	7.74	7.54	0.36	0.36	0.25	0.24	42.9	42.2	4.37	4.23	-4.3
Resort	48.90	47.91	10.80	10.14	0.33	0.34	0.22	0.22	42.0	42.2	6.10	5.88	0.1
SIZE:													
UNDER 150 ROOMS	$33.54	$33.14	$ 7.63	$ 7.29	0.37	0.37	0.26	0.26	42.6	42.4	$ 4.40	$ 4.29	-4.5
150 - 299 ROOMS	28.39	28.28	7.98	7.75	0.35	0.35	0.23	0.23	46.1	45.6	5.06	4.91	-3.2
300 - 600 ROOMS	35.62	35.14	10.21	9.82	0.32	0.33	0.23	0.22	48.2	47.9	6.73	6.52	-1.0
OVER 600 ROOMS	39.61	39.39	11.65	11.30	0.31	0.31	0.20	0.19	47.7	47.7	7.76	7.67	2.3
TYPE:													
Hotel	$37.98	$37.49	$10.17	$ 9.78	0.32	0.32	0.22	0.21	47.9	47.8	$ 6.69	$ 6.49	-0.7
Motor Hotel	23.29	23.47	7.50	7.36	0.35	0.36	0.23	0.23	43.3	42.1	4.54	4.40	-3.5
Economy	15.61	15.85	*	*	0.26	0.27	*	*	*	*	*	*	*
All Suites	42.45	42.75	10.88	10.28	0.32	0.35	0.26	0.26	47.9	51.5	7.59	7.90	1.4

* INSUFFICIENT RESPONSE

TWELVE MONTH FOOD AND BEVERAGE REPORT - AS OF AUGUST 1985

	F&B SALES PER OCCUPIED ROOM		AVERAGE RECEIPT PER COVER		FOOD COST PERCENT OF FOOD SALES		BEV COST PERCENT OF BEV SALES		F&B PAYROLL PERCENT OF F&B SALES		F&B PAYROLL PER COVER		NUMBER COVERS SERVED
	1986	1985	1986	1985	1986	1985	1986	1985	1986	1985	1986	1985	% CHG
TOTAL	$35.04	$34.55	$ 9.72	$ 9.35	0.33	0.33	0.22	0.22	46.7	46.2	$ 6.28	$ 6.06	-1.8
REGION:													
Northeast	$38.41	$37.94	$11.66	$11.21	0.31	0.31	0.20	0.20	50.6	50.5	$ 8.34	$ 8.06	-0.2
Southeast	34.45	34.53	9.78	9.36	0.33	0.33	0.22	0.22	43.1	42.4	6.01	5.76	-0.5
North Central	32.75	32.41	8.49	8.28	0.34	0.34	0.22	0.22	44.0	43.3	5.05	4.89	-1.1
South Central	29.05	28.74	8.64	8.54	0.34	0.34	0.22	0.22	46.9	46.4	5.82	5.74	-4.5
West	39.87	38.88	9.95	9.43	0.33	0.33	0.22	0.22	48.4	48.1	6.28	6.03	-2.4
AFFILIATION:													
Chain	$31.96	$31.62	$ 9.39	$ 9.07	0.32	0.33	0.21	0.21	46.9	46.3	$ 6.16	$ 5.96	-1.5
Independent	52.11	50.66	10.97	10.40	0.34	0.34	0.23	0.23	45.9	45.8	6.83	6.52	-2.8
LOCATION:													
Center City	$37.21	$36.42	$10.98	$10.60	0.31	0.31	0.21	0.21	50.0	49.9	$ 7.65	$ 7.46	0.1
Suburban	29.55	29.60	8.20	8.06	0.34	0.35	0.22	0.23	45.9	44.6	5.29	5.10	-4.8
Airport	28.54	28.62	8.52	8.22	0.33	0.33	0.22	0.22	45.1	44.0	5.13	4.93	-2.1
Highway	26.83	27.08	7.88	7.56	0.37	0.37	0.25	0.24	43.4	42.2	4.61	4.40	-3.4
Resort	50.16	49.21	10.85	10.29	0.34	0.34	0.22	0.22	42.6	42.5	6.14	5.92	-0.8
SIZE:													
UNDER 150 ROOMS	$34.76	$34.39	$ 7.70	$ 7.39	0.37	0.38	0.25	0.25	42.0	41.6	$ 4.36	$ 4.21	-5.1
150 - 299 ROOMS	28.99	28.68	8.13	7.87	0.35	0.35	0.23	0.23	45.5	44.6	5.12	4.92	-3.1
300 - 600 ROOMS	36.64	36.01	10.26	9.84	0.33	0.33	0.22	0.22	48.3	47.9	6.81	6.57	-1.4
OVER 600 ROOMS	40.97	40.77	11.83	11.45	0.31	0.30	0.19	0.19	47.0	46.8	7.78	7.61	0.8
TYPE:													
Hotel	$39.23	$38.66	$10.29	$ 9.89	0.32	0.32	0.22	0.21	47.4	47.0	$ 6.71	$ 6.49	-1.3
Motor Hotel	23.85	23.90	7.61	7.40	0.35	0.35	0.23	0.23	43.3	41.8	4.64	4.42	-3.6
Economy	14.05	14.11	*	*	*	*	*	*	*	*	*	*	*
All Suites	41.92	41.14	10.76	10.24	0.33	0.35	0.26	0.26	48.9	52.0	7.66	7.88	0.8

* INSUFFICIENT RESPONSE